

## Message Text

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15  
ORIGIN EA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 INR-11 NSAE-00 PA-04

RSC-01 USIA-15 PRS-01 SP-03 /050 R

DRAFTED BY EA/P:STAFF:PP

APPROVED BY EA/P:WMAGRUDER

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R 312223Z JUL 74

FM SECSTATE WASHDC

TO AMEMBASSY SAIGON

USSAG

CINCPAC

INFO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

AMCONSUL BIEN HOA

AMCONSUL CAN THO

AMCONSUL DANANG

AMCONSUL HONG KONG

AMCONSUL NHA TRANG

USDEL JEC PARIS

TREAS

USCG

XMT AMEMBASSY SUVA

AMEMBASSY RANGOON

UNCLAS STATE 166922

COGARD FOR POLAD

E.O. 11652: N/A

TAGS: PFOR, XC, US

SUBJECT: JULY 31 EA PRESS SUMMARY

INDOCHINA

1. AMB MARTIN WILL TODAY MAKE REPORT ON SVN BEFORE  
HFAC ASIAN AND PACIFIC SUBCOMMITTEE (WP).

2. SENATE PASSES BY 88-8, SENDS TO PRES 22.16 BILLION

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DOLLAR DOD WEAPONS AUTHORIZATION BILL THAT INCLUDES  
ONE BILLION CEILING ON MIL AID TO SVN (AP NYT, SUN).  
HOUSE PASSES, SENDS TO SENATE FY 75 FARM, ENVIRONMENTAL  
AND CONSUMER PROGRAM FINANCING BILL THAT INCLUDES

LIMIT OF TEN PERCENT OF TOTAL FOOD FOR PEACE PROGRAM  
FOR ANY ONE NATION (UPI, NYDN).

3. GVN RUSHES IN REINFORCEMENTS TO TRY TO LIFT  
COMMUNIST PRESSURE ON THUONG DUC DISTRICT CAPITAL,  
25 MILES SW OF DA NANG, BUT FIELD REPORTS SAY TOWN  
COULD FALL AT ANY TIME. LOCAL MIL OFFICIALS REPORT  
THAT COMMUNISTS BRINGING UP HEAVY ARTILLERY UNITS.  
FIELD OFFICERS SAY THAT TWO-WEEK OLD OFFENSIVE LEFT  
AT LEAST 80,000 CIVILIANS IN COMMUNIST HANDS (CHITRIB).  
FIELD REPORTS STATE THAT GVN REINFORCEMENTS RECAPTURE  
OUTPOST NEAR THUONG DUC (AP NYT, WP, SUN). SAIGON  
MIL COMMAND SAYS FIGHTING POSES NO IMMEDIATE THREAT

TO DA NANG. WESTERN DIPLOMATS TERM FIGHTING "STRATEGIC  
RAIDS" AND "HIGH POINTS" TO STRAIN SVN'S FRAIL  
ECONOMY AND UNDERMINE THIEU GOVT (AP NYT, SUN).

4. FIELD SOURCES SAY THAT NVA SEIZES NANG BUK DISTRICT  
TOWN IN HIGHLANDS; FATE OF GVN GARRISON UNKNOWN.  
SAIGON COMMAND EARLIER ANNOUNCED THAT MOST OF TOWN'S  
POPULATION OF 5000 WAS EVACUATED MONTH AGO IN  
ANTICIPATION OF ATTACK (AP NYT, WP, SUN).

5. LAO GOVT NEWS AGENCY REPORTS THAT SOUVANNA, IN  
TELEGRAM TO GISCARD D'ESTAING, SAID HE HOPES TO  
RESUME DUTIES SOON AND COMPLETE WORK OF NATIONAL  
RECONCILIATION. FRENCH DOCTORS ARE AMONG PANEL  
TREATING PRINCE; DIPLOMATIC SOURCE SAYS THAT HE  
MAY GO TO FRANCE SOON TO RECUPERATE "IF HE IS  
SATISFIED THAT THINGS CAN RUN SMOOTHLY HERE WITHOUT  
HIM" (AP PHINQ, NYDN).

KOREA

6. US POLICY TOWARD GROK DREW SUPPORT AND CRITICISM DURING  
TUESDAY HEARINGS BEFORE HOUSE FOREIGN AFFAIRS SUB-  
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COMMITTEES ON INTERNATIONAL ORGANIZATION AND MOVEMENTS,  
AND ASIAN AND PACIFIC AFFAIRS. ACTING ASSISTANT SEC.  
HUMMEL DEFENDED US MIL AID TO SEOUL ON GROUNDS AID  
IS NECESSARY IF SK IS TO HAVE CHANCE TO SURVIVE  
AGAINST AGGRESSIVE NK; ADDED THAT US IS REGULARLY  
CONVEYING TO GROK ITS REACTION TO SK INTERNAL AFFAIRS  
AND CAUTIONING SEOUL THAT ITS ACTION COULD AFFECT  
CONGRESSIONAL SUPPORT FOR ARMS AID (REUTER).

7. WP'S ROTMAN NOTES HUMMEL SAID US DOES NOT APPROVE  
"KOREA'S POLICIES ON HUMAN RIGHTS," BUT THAT EXISTENCE  
OF INDEPENDENT, SELF-RELIANT ROK IS "KEY ELEMENT IN  
OUR EFFORTS TO SECURE THE STABILITY OF NE ASIA ...IN

OUR VIEW, THE PREVENTION OF WAR" ON PENINSULA IS "FIRST AND MOST IMPORTANT STEP" TOWARD MAINTENANCE OF HUMAN LIBERTIES. UNDER QUESTIONING, ROTMAN REPORTS, HUMMEL ADMITTED THAT US ROLE IN INFLUENCING SK IS LESS THAN ACTIVE. SUN'S MILLS WRITES THAT HUMMEL, ALTHOUGH CONCEDING THAT US EFFORTS TO SOFTEN PARK DICTATORSHIP HAVE NOT BEEN VERY SUCCESSFUL, IT IS SIGNIFICANT THAT SK'S POLITICAL INSTITUTIONS, THOUGH IMPERFECT, "ARE IN PLACE," AND THAT US AID IS PROVIDED ANY DONEE NATION TO HELP DEVELOP ITS INSTITUTIONS SO THAT TO "GREATEST EXTENT POSSIBLE IT CAN ENJOY FREEDOM, BE SELF-RELIANT, AND CAN CONTRIBUTE TO WORLD PEACE AND PROSPERITY."

PROF. REISCHAUER, IN TESTIMONY BEFORE SUBCOMMITTEES SUPPORTING REP. FRASER'S EFFORTS TO TIE MIL AID TO SK TO AN EASING OF GROK REPRESSION, CHARGED THAT SK INTERNAL SITUATION PREPARES WAY FOR "QUAGMIRE" IN WHICH SUBVERSION OF EXISTING REGIME BECOMES POSSIBILITY AS IT LOSES INTERNAL SUPPORT, AND THAT POSSIBILITY EXISTS THAT US COULD BECOME INVOLVED IN ANOTHER UNSUCCESSFUL AND UNPOPULAR WAR LIKE VN. REISCHAUER WOULD REDUCE NOT ONLY US MIL AID TO SK, BUT ALSO US TROOPS THERE IN EFFORT TO INFLUENCE PARK (MILLS, ROTMAN). NYT'S GWERTZMAN OBSERVES THAT REISCHAUER'S COMMENTS DREW APPLAUSE FROM ANTI-PARK KOREANS CROWDING COMMITTEE ROOM.

NY ATTORNEY WILLIAM BUTLER, SENT TO SK IN JUNE AS UNCLASSIFIED

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AMNESTY INTERNATIONAL OBSERVER, TOLD SUBCOMMITTEE HE COULD DOCUMENT THAT SK AUTHORITIES USED TORTURE AS MATTER OF COURSE TO EXTRACT CONFESSIONS FROM POLITICAL PRISONERS. BUTLER'S REPORT TO AI ASSERTS SK HOLDS APPROXIMATELY 1,100 PRISONERS CHARGED WITH OR CONVICTED OF "POLITICAL CRIMES."

ROTMAN REPORTS SK EMBASSY YESTERDAY, REFUTING CHARGES OF GROK REPRESSION AND TORTURE, DECLARED THAT KOREAN SITUATION "HAS BEEN REPORTED BY PEOPLE WHO NOT ONLY LACK KNOWLEDGE OF THE KOREAN LANGUAGE BUT DO NOT REGULARLY RESIDE IN KOREA FOR ANY LENGTH OF TIME."

7. AP (SEOUL) REPORTS REV. OLIVER KENNEDY, IRISH CATHOLIC PRIEST FROM BISHOP CHI'S DIOCESE, HAS BEEN DETAINED BY GROK, ACCORDING CHURCH SOURCES. HE IS FIRST FOREIGN CATHOLIC CHURCHMAN TO BE PICKED UP BY KCIA. SOURCES ADDED THAT ANOTHER IRISH PRIEST, REV. FOLEY, AND THREE KOREAN PRIESTS IN CHI DIOCESE HAVE BEEN ASKED TO APPEAR AT KCIA HQS BUT HAVE NOT YET DONE SO (SUN, CSM, WP).

CHINA

8. PEOPLE'S DAILY, USUALLY STAID PARTY MOUTHPIECE FEATURED SET OF 6 COLOR PHOTOS, FOR FIRST TIME IN RECENT YEARS, MARKING ARMY DAY ALTHOUGH SOME EDITIONS PRINTED IN BLACK AND WHITE (REUTER PEKING).

JAPAN

9. CHITRIB'S KIRK DOES FEATURE ON 81 YEAR OLD FUSAE ICHIKAWA, JAPANESE WOMEN'S RIGHTS PIONEER AND MEMBER OF UPPER HOUSE SINCE 1953. SHE SAYS WOMEN'S SUFFRAGE HAS HAD LITTLE IMPACT ON THEIR ATTITUDE TOWARD POLITICS;

"THEY DO NOT THINK ABOUT THE ISSUES." FEELS FAILURE TO SHOW STRENGTH IS BECAUSE VOTE GIVEN BY AMERICAN INTERVENTION, "NOT THROUGH THEIR OWN STRUGGLES." IRONICALLY, JAPANESE WOMEN OUTNUMBER MEN AT POLLS.

10. FINMIN REPORTS 1.28 BILLION DOL B/P DEFICIT FOR JUNE, UNCLASSIFIED

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16TH CONSECUTIVE MONTHLY DEFICIT (NYT).

11. GOJ ANNOUNCES LARGE INCREASE IN PERMITTED PREPAYMENT FOR EXPORTS IN BID TO BOOST FOREIGN EXCHANGE INFLOW, HOPING TO EASE PRESSURE ON YEN (JOC).

12. CSM'S ELLIS SAYS WHALES' CHANCES FOR SURVIVAL MAY HAVE IMPROVED BECAUSE OF CHANGE OF JAPANESE ATTITUDE SHOWN BY MAKING OF SEVERAL CONCESSIONS TO HELP PRESERVE THREATENED SPECIES. IF JAPAN AND USSR REMAIN WITHIN '75 QUOTAS, US DEPT OF COMMERCE MAY NOT APPEAL TO PRESIDENT TO INVOKE BOYCOTT.

13. TOKYO REPORTS DECREASE IN POPULATION FOR FIRST TIME SINCE WW-II, DOWN 1415 FROM LAST JULY (REUTER TOKYO).

14. AT LEAST TEN US BASED MULTINATIONAL CORPORATIONS SEEK TOKYO STOCK EXCHANGE LISTINGS. SIX FOREIGN FIRMS GRANTED LISTING LAST YEAR AFTER DISCLOSING FINANCIAL POSITION ON NON-CONSOLIDATED BASIS, TRADITIONAL JAPANESE METHOD. BUT FRAMEWORK NOW SET UP TO ALLOW ENTRY ON CONSOLIDATED BASIS, ENCOURAGING NEW BIDS (AP, SUN).

15. RALSTON PURINA AND FUJI OIL ANNOUNCE JOINT TOKYO VENTURE TO MANUFACTURE AND SELL RALSTON-DEVELOPED STRUCTURED PROTEIN PRODUCT TO JAPANESE FOOD PROCESSORS TO USE AS EXTENDER OF MEAT, POULTRY AND SEAFOODS (JOC).

AUSTRALIA

16. AUSTRALIA AND NK SIGN AGREEMENT IN JAKARTA TO ESTABLISH

DIPLOMATIC RELATIONS. AUSTRALIAN EMBASSY OFFICIAL THERE SAYS THIS WILL NOT AFFECT GOOD RELATIONS EXISTING BETWEEN SEOUL AND CANBERRA (REUTER JAKARTA).

17. DEP PM AND TRADE MIN CAIRNS ANNOUNCES GOA AND EEC HAVE REACHED AGREEMENT ON TARIFF REDUCTION PACKAGE COMPENSATING AUSSIES FOR LOSSES OF CONCESSIONS IN BRITAIN, IRELAND, AND DENMARK, FOLLOWING EEC'S EN-LARGEMENT (JOC).

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MALAYSIA

18. PM RAZAK ANNOUNCES SULTAN HALIM HAS DISSOLVED PARLIAMENT AND CALLED FOR NEW ELECTIONS AND FOR ELECTIONS FOR 12 OF 13 STATE LEGISLATURES. GOVT SOURCES SAY ELECTION TO BE HELD AUG. 24. OBSERVERS SAY RAZAK NEED NOT FEAR LOSING CONTROL, AS FRAGMENTED OPPOSITION NOT FIELDING CANDIDATES TO WIN MAJORITY EVEN IF ALL ELECTED (UPI NYT, WP, NYDN).

INDONESIA

19. CSM'S SOUTHERLAND REPORTS ARMY-RUN GOVT TAKING TOUGH ATTITUDE TOWARD STUDENTS, WHO LAST YEAR BEGAN TO CHALLENGE RULE. STANCE EMPHASIZED BY TRIAL OF HARI MAN SIREGAR, FORMER CHAIRMAN OF STUDENT COUNCIL OF U OF INDONESIA. SIREGAR ACCUSED OF ORGANIZING JANUARY'S RIOTS THAT SWEPT JAKARTA, IN WHICH STUDENTS ONLY ONE AMONG MANY ELEMENTS. ALTHOUGH DIVIDED AMONG THEMSELVES AND NOT MUCH OF THREAT, GENERALS VIEW THEM IN LIGHT OF DEMONSTRATIONS BY THAI STUDENTS THAT LED TO COLLAPSE OF MILITARY GOVT THERE. IRONICALLY, STUDENT LEADERS AND SUHARTO ONCE WERE ALLIES AGAINST COMMUNIST PARTY AND SUKARNO. BUT SIREGAR NOW SEES GENERALS AS "ESTRANGED FROM THE PEOPLE." AND ALTHOUGH SIREGAR FAVORS ACTION, MOST STUDENTS DO NOT; GOVT CONTINUES TO KEEP TIGHT CLAMP ON THEM.

NEW ZEALAND

20. VAN CARRIERS DESTINED FOR AUCKLAND WILL HELP EASE CARGO GLUT, WHICH HAS DELAYED LOADING AND UNLOADING IN BOTH AUCKLAND AND WELLINGTON (JOC).

LOS

21. INDONESIA AND NZ JOIN CANADA IN EFFORTS TO PROD CONFERENCE TO ACCEPT 12.MILE TERRITORIAL LIMIT AND 200 MILE ECONOMIC ZONE, CONDITIONALLY ENDORSED BY US AND USSR (AP, NYDN).

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COMMENT AND ANALYSIS

CHINA

22. HEARST'S JOHN WALLACH (BALTO N-A JULY 25) SAYS PRC HAS QUIETLY STARTED PERMITTING CHINESE TO JOIN RELATIVES IN US, IN SMALL BUT DRAMATIC DISPLAY OF "NORMALIZATION." REPORTS "HIGH-RANKING STATE

DEPARTMENT OFFICIALS" SAYING PEKING IS ROUTINELY PROVIDING USLO WITH "CIVIL DOCUMENTS," SUCH AS MARRIAGE AND BIRTH CERTIFICATES, IN EFFORT TO HELP AUTHORITIES SUBSTANTIATE CLAIMS OF US RELATIVES. NOTES PEKING ALSO PROVIDED DOCUMENTS IN "ONE OR TWO" INHERITANCE CASES.

CITES "US CHINA EXPERT" AS DISCLOSING "IT STARTED SOME MONTHS AGO"; OFFICIALS SAY ONLY HANDFUL OF CHINESE INVOLVED, EMPHASIZING US IS STILL LONG WAY FROM WORKING OUT FORMAL AGREEMENT FOR REUNITING FAMILIES. NOTES CANADA SUCCESSFULLY NEGOTIATED SUCH PACT WITH PRC AFTER TRUDEAU VISIT, AND SAYS DOS HAS BEEN UNDER PRESSURE FROM SEVERAL SENATORS, INCLUDING JACKSON, TO WORK OUT SIMILAR AGREEMENT WITH PRC.

QUOTES DOS' OSCAR ARMSTRONG ON HOW "INITIAL BREAKTHROUGH" OCCURRED: "IT JUST SORT OF DEVELOPED WITHOUT OUR NEGOTIATING IT. WE DID NOT GO TO THE CHINESE AND SAY, 'SO AND SO' WANTS TO LEAVE THE COUNTRY, PLEASE GET THE DOCUMENTS. THE INDIVIDUAL GETS THE DOCUMENTS FROM SOME LOCAL AUTHORITY," SUCH AS THE PEOPLE'S COURT, "AND THEN THEY ARE SENT TO PEKING FOR AUTHENTICATION PURPOSES. THEY THEN SEND SOME OF THE DOCUMENTS TO THE LIAISON OFFICE."

WALLACH CITES DOS OFFICIALS AS REFUSING TO SPECULATE ON HOW MANY CHINESE FAMILIES NOW WOULD APPLY TO BE REUNITED; KNOWLEDGABLE CHINESE EXPERTS SAY NUMBER COULD REACH INTO THOUSANDS AND DOS ALREADY IS WORKING ON MORE THAN HUNDRED SUCH CLAIMS.

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WALLACH SAYS THIS IS JUST SORT OF NORMALIZING THING AMB. BRUCE WAS DISCUSSING LAST WEEK WITH HAK AND OTHER US OFFICIALS. ADDS THAT UNLIKE USSR, PRC GENERALLY HAS PERMITTED RELATIVES OF OVERSEAS CHINESE TO LEAVE

MAINLAND IF INDIVIDUAL HAD SUCCESSFULLY STEERED CLEAR  
OF ANY POLITICAL TROUBLE.

23. NYT'S LELYVELD IN HK REPORTS NUMBER OF ILLEGAL  
IMMIGRANTS FLEEING TO BCC FROM KWANGTUNG PROVINCE  
IS HIGHER NOW THAN IN PAST DECADE; DESCRIBES  
AVENUES AND PERILS OF ESCAPE. SAYS IN FIRST 6  
MONTHS OF YEAR, HK POLICE REPORTED ARRIVAL OF 2,833  
ILLEGAL IMMIGRANTS - INCREASE OF 35 PERCENT OVER  
SAME PERIOD LAST YEAR, AND MORE THAN TWICE AS MANY  
AS REPORTED FOR ALL 1970. THESE KNOWN CASES ONLY,  
AND IMMIGRATION DEPARTMENT, WHICH OPERATES ON THEORY  
THAT POLICE STATISTICS SHOULD GENERALLY BE MULTIPLIED  
BY FACTOR OF 3, ESTIMATES 8,230 PERSONS ESCAPED IN  
FIRST HALF OF YEAR.

SUBSTANTIAL PORTION OF ESCAPEES ARE URBAN YOUTH SENT  
TO RURAL COMMUNES FOR "RUSTIFICATION." CONCERNING  
REASONS FOR ESCAPE, LELYVELD SAYS MINORITY OF ILLEGAL  
IMMIGRANTS WHO PUT THEIR MOTIVES IN POLITICAL TERMS  
ALMOST INvariably SAY THAT THEY HAD TROUBLE IN CHINA  
BECAUSE OF "BAD" CLASS BACKGROUND; THAT IS, THAT THEY  
LIVED UNDER CLOUD BECAUSE THEIR FOREBEARS WERE LANDLORDS  
OR MERCHANTS. HOWEVER, CITES PROFESSOR WHITE, U OF  
MICHIGAN SOCIOLOGIST WHO HAD EXTENDED INTERVIEWS WITH  
REFUGEES, THAT "MOST OF THE CASES FIT GENERALLY INTO  
THE CATEGORY OF ECONOMIC OPPORTUNITY." ACCORDING  
LELYVELD, WHITE NOTED THAT KWANGTUNG AND FUKIEN  
PROVINCES HAVE TRADITIONALLY REGARDED EMIGRATION AS  
WAY OUT OF ECON DIFFICULTIES. QUOTES WHITE: "TO A  
CERTAIN EXTENT THESE PEOPLE ARE NOT TOTALLY APOLITICAL  
IN THAT THEY FEEL THAT THE POLITICAL SYSTEM KEEPS THEM  
FROM HAVING OPPORTUNITIES THEY THINK THEY SHOULD HAVE.  
BUT MOST OF THEM CANNOT BE CALLED ANTI-COMMUNIST.  
ESSENTIALLY, THEY ARE JUST LOOKING FOR A BETTER BREAK."

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23. WILLIAM BUCKLEY JR. (LAT, BALTO N-A JULY 30) WRITES  
OF "REMOBILIZATION OF THE NEW CHINA LOBBY" TO ABANDON  
TAIWAN; INDICATES HE SUPPORTS GROC.

JAPAN

24. LAT'S JAMESON (JULY 30) IN TOKYO REPORTS HUDSON  
INSTITUTE DIRECTOR HERMAN KAHN TELLING FULL HOUSE  
MONDAY AT FOREIGN CORRESPONDENTS CLUB THAT HE IS  
STILL BULLISH ABOUT JAPAN. KAHN EARLIER PREDICTED  
JAPAN WOULD CATCH UP WITH US IN TERMS OF PER CAPITA  
NATIONAL INCOME BY YEAR 2000; HE NOW THINKS JAPAN WILL  
TURN TRICK BY 1985. KAHN SAID JAPAN WAS OVER-  
ESTIMATING BURDEN OF ITS NEW OIL IMPORT BILL AND

WAGE HIKES THAT AVERAGED AROUND 31 PERCENT LAST APRIL. DECLARED OPEC ARE NOW OVERPRODUCING, AND PREDICTED IN 6 OR 7 YEARS OIL PRICES WILL BE DRIVEN DOWN TO BETWEEN 3 AND 5 DOLLARS/BBL, THUS ENABLING JAPAN TO CONTINUE ENJOYING TEN PERCENT GROWTH RATES.

KAHN ASSERTED THAT SPRING WAGE INCREASES OF AROUND 31 PERCENT IN JAPAN REALLY REPRESENTED BARGAIN FOR JAPANESE MANUFACTURERS. POINTED OUT THAT INFLATION WAS RUNNING AT RATE OF 25 PERCENT ABOVE YEAR EARLIER AND PRODUCTIVITY GAINS OF 20 PERCENT HAD BEEN REGISTERED; THIS MEANS JAPANESE WORKERS COULD HAVE DEMANDED 45 PERCENT WAGE INCREASES IN CONTEXT OF US VIEW OF LABOR DEMANDS AS BEING MODERATE AS LONG AS THEY STAY WITHIN RANGE OF INFLATION PLUS INCREASES IN PRODUCTIVITY.

KAHN SAID EVEN IF HIS PREDICTION OF LOWER OIL PRICES WERE PROVEN INCORRECT, JAPAN WOULD STILL MAINTAIN ITS GROWTH, POINTING OUT THAT JAPAN'S TRADE BALANCE HAD ALREADY RECOVERED FROM OIL SHOCK TO RETURN TO BLACK INK FIGURES - INDICATING JAPAN COULD CONTINUE TO PAY BIGGER OIL BILL. DIFFERENCE, IF OIL REMAINS PRICED AT HIGH LEVELS, WOULD BE THAT JAPAN WOULD HAVE TO FOREGO MUCH INVESTMENT OVERSEAS - HURTING DEVELOPING COUNTRIES.

KAHN FORESEES TWO PROBLEMS FOR JAPAN: LABOR SHORTAGE, UNCLASSIFIED

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WHICH COULD BE SOLVED BY TEMPORARY IMPORTATION OF LABOR; AND POTENTIAL POLITICAL INSTABILITY, ARISING FROM DECLINE OF LDP STRENGTH AND DROOPING POPULARITY OF TANAKA. SAYS "OTHER COUNTRIES CAN GET ALONG WITHOUT FAITH IN THEIR GOVERNMENTS, BUT NOT JAPAN. IT'S VERY BAD FOR THEM TO HAVE THIS ENORMOUS LACK OF FAITH IN GOVERNMENT."

25. FROM TOKYO, LAT'S JAMESON (JULY 29) REPORTS MITI VICE MINISTER YAMASHITA MAKING SPEECH AT JAPAN NATIONAL PRESS CLUB WARNING THAT JAPAN IS THREATENED WITH DANGER OF PERMANENT INFLATION, PLUMMETING FOREIGN RESERVES, AND ZERO TO MINUS ECON GROWTH RATE. YAMASHITA SAYS IF DANGERS - ALL IN SHORT RUN - COULD BE OVERCOME, JAPAN COULD RECOVER "NORMALCY" AND RETURN TO ANNUAL GROWTH RATES OF 7 PERCENT IN REAL TERMS BY FISCAL 1976.

PAPUA-NEW GUINEA

26. IN SECOND OF TWO PARTS, CSM'S SOUTHERLAND DOES PROFILE ON PNG CHIEF MINISTER SOMARE, OF WHOM HE SAYS THE AUSSIES REGARD AS THE ONLY MAN CAPABLE OF HOLDING

THINGS TOGETHER WHILE AUSTRALIA ATTEMPTS TO WITHDRAW  
IN ORDERLY AND HONORABLE FASHION FROM PNG. STRESSES  
SOMARE'S ABILITY TO BRING TOGETHER MEN AND IDEAS,  
BUT SAYS THE COALITION GOVT. SOMARE RULES OVER APPEARS  
TO BE FRAGILE. NOTES THAT MANY OF HIS COUNTRYMEN  
OPPOSED HIS PURSUIT OF FULL INDEPENDENCE AT AN EARLY  
DATE, AND THAT SOME OF HIS OWN CABINET MINISTERS,  
WORRIED ABOUT OPPOSITION FROM THEIR CONSTITUENCIES,  
SEEM LESS THAN EAGER TO SUPPORT THE CHIEF MINISTER  
ON INDEPENDENCE ISSUE.

IN SEPARATE ARTICLE, SOUTHERLAND WRITES ABOUT PNG'S  
TOLAI TRIBE, WHOSE LEADERS FAVOR FULL INDEPENDENCE  
AS SOON AS POSSIBLE. DESCRIBES TOLAI PEOPLE AS  
THE "MOST POLITICALLY AND ECONOMICALLY ADVANCED  
PEOPLE IN THIS EMERGING SOUTH PACIFIC NATION."

KISSINGER

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 27 JUL 1999  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLITICAL REPRESSION, FOREIGN RELATIONS, INFLATION, PRESS SUMMARIES, POLITICAL SUMMARIES, US CONGRESSIONAL PRESENTATIONS, FOREIGN ASSISTANCE, FOREIGN POLICY POSITION, POLITICAL SITUATION, PRICES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 31 JUL 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974STATE166922  
**Document Source:** ADS  
**Document Unique ID:** 00  
**Drafter:** EA/P:STAFF:PP  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** n/a  
**Film Number:** D740209-0501  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740789/abbryzta.tel  
**Line Count:** 451  
**Locator:** TEXT ON-LINE, TEXT ON MICROFILM  
**Office:** ORIGIN EA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 9  
**Previous Channel Indicators:**  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** boyleja  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 29 AUG 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <29 AUG 2002 by ThomasVJ>; APPROVED <22 JAN 2003 by boyleja>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** JULY 31 EA PRESS SUMMARY  
**TAGS:** PFOR, XC, US, VS, KS, CH, HFAC, HOUSE FOREIGN AFFAIRS COMMITTEE, (MARTIN, GRAHAM A)  
**To:** SAIGON  
USSAG  
CINCPAC INFO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS  
BIEN HOA  
CAN THO  
DANANG

HONG KONG  
NHA TRANG  
JEC PARIS  
TREAS  
USCG  
XMT SUVA  
RANGOON

**Type:** TE

**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005